ARIZONA HOUSE OF REPRESENTATIVES



Fifty-sixth Legislature Second Regular Session

HB 2023: land divisions; disclosure affidavit; recording Sponsor: Representative Griffin, LD 19 Committee on Land, Agriculture & Rural Affairs

Overview

Modifies the information required to be included in an affidavit of disclosure and related procedures.

History

A seller of five or fewer parcels of non-subdivided land, located in an unincorporated area of a county, and any subsequent seller, must furnish an affidavit to the buyer at least seven days before the property is transferred. The buyer has the right to rescind a sale within five days of receiving the affidavit. The affidavit must be recorded at the same time the deed is recorded. Subsequent affidavits supersede any previously recorded affidavits.

Current law outlines the information an affidavit of disclosure must contain, including:

- 1) the legal description of the property;
- 2) legal and physical access to property;
- 3) if the property is in a floodplain;
- 4) a list of services and utilities currently provided to the property;
- 5) whether the water used on the property is subject to a general adjudication of water rights;
- 6) whether the property has an on-site wastewater treatment facility;
- 7) if the property has been subject to a percolation test;
- 8) whether the property has solar energy devices;
- 9) if the property meets county zoning requirements:
- 10) if the sale of the property meets statutory requirements regarding land divisions if the property is located near a military airport, is under military restricted airspace, or in a military electronic range; and
- 11) if the use of the property is limited due to an encumbrance of title or a pending legal action.

If the seller is a trustee of a subdivision trust, the beneficiary of the trust is required to provide the disclosure affidavit.

The seller must provide a notarized certification, under penalty of perjury, that the information provided is true, complete and correct (A.R.S. § 33-422).

Provisions

1. Requires that an affidavit of disclosure be completed by the seller and contain all the information specified by statute. (Sec. 1)

- 2. Describes the responsibilities of a subsequent seller and licensed escrow agent relating to completing and recording a subsequently executive affidavit. (Sec. 1)
- 3. Specifies that a licensed escrow agent who records an affidavit is not liable for inaccurate information or omissions of material facts. (Sec. 1)
- 4. Modifies the information required to be included in an affidavit of disclosure to include:
 - a) information on water supplies;
 - b) leased or owned battery energy storage devices; and
 - c) whether the seller is a trustee, personal representative of an estate or conducting a mortgage foreclosure. (Sec. 1)
- 5. Explains that attempting to avoid subdivision laws by acting in concert to divide a parcel into six or more lots may trigger an investigation by the Real Estate Department. (Sec. 1)
- 6. Specifies that a seller or subsequent seller do not include a personal representative acting on behalf of an estate selling the property. (Sec. 1)
- 7. Repeals and re-enacts Laws 2023, Chapter 77, Section 3 to correct a technical error resulting in a potentially invalid change to A.R.S. § 33-422. (Sec. 2)
- 8. Makes technical changes. (Sec. 1)

□ Prop 105 (45 votes)	□ Prop 108 (40 votes)	☐ Emergency (40 votes)	□ Fiscal Note